# GOVERNMENT OF INDIA
# TRIBAL AFFAIRS
# LOK SABHA

UNSTARRED QUESTION NO:1899
ANSWERED ON:06.12.2005
FINANCIAL CRISIS FACED BY TRIBAL COOPERATIVE MARKETING DEVELOPMENT FEDERATION
Oram Shri Jual

**Will the Minister of TRIBAL AFFAIRS be pleased to state:**

(a) whether the Government is aware of the severe financial crisis being faced by Tribal Cooperative Marketing Development Federation;

(b) if so, the details thereof alongwifh the steps taken to sanction additional fund to TRIFED to remove its financial crisis; and

(c) the allocation of fund made for 2005-06?

## Answer

MINISTER OF THE STATE IN THE MINISTRY OF TRIBAL AFFAIRS ( SHRI P.R. KYNDIAH)

(a) to (c) The Tribal Co-operative Marketing Development Federation (TRIFED) is a society registered under the Multi State Co-operative Societies Act, 1984.

TRIFED began its operations with an Authorised Share Capital of Rs. 20.00 crores in April, 1988. This was enhanced to Rs. 50.00 crores in 1990-91 and to Rs. 100.00 crores in 1993-94. The Ministry has invested Rs. 99.75 crores in TRIFED against its paid up Share Capital of Rs. 99.98 crores. Besides, Rs.40.42 crores have been released to TRIFED so far under the `Price Support` Scheme since its inception in 1990-91 towards reimbursement of losses incurred by TRIFED.

The Share Capital base of TRIFED however, stands severely eroded and the Organization is further burdened with an accumulated loss of Rs. 93.62 crores as on 31.3.2005.

The allocation of funds during the year 2005-06 is Rs. 6 Crores for the Scheme `Investment in the Share Capital of TRIFED` and Rs. 4 Crores for the Scheme `Price Support Operations to TRIFED`.